

STATE OF CALIFORNIA  
ENERGY RESOURCES CONSERVATION  
AND DEVELOPMENT COMMISSION  
PREHEARING CONFERENCE

IN THE MATTER OF: )  
 )  
APPLICATION FOR CERTIFICATION ) DOCKET NO. 99-AFC-8  
FOR THE BLYTHE ENERGY PROJECT )  
(BLYTHE ENERGY, LLC) )  
\_\_\_\_\_ )

CALIFORNIA ENERGY COMMISSION  
1516 NINTH STREET  
HEARING ROOM B  
SACRAMENTO, CALIFORNIA

MONDAY, NOVEMBER 20, 2000

10:15 A.M.

JAMES F. PETERS, CSR, RPR  
CERTIFIED SHORTHAND REPORTER  
LICENSE NUMBER 10063

CONTRACT NO: 170-99-001

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

COMMISSIONERS

William Keese, Chairperson, Presiding Member  
(via teleconference)

HEARING OFFICER

Mr. Ed Bouillon

STAFF

Ms. Lisa De Carlo, Staff Counsel

Mr. Lance Shaw, Project Manager

APPLICANT

Grattan & Galati

BY: MR. SCOTT GALATI, ESQ.

Renaissance Tower

801 K Street, Penthouse Suite

Sacramento, CA 95814

INTERVENOR

Ms. Carmela Garnica (via teleconference)

PUBLIC ADVISER

Roberta Mendonca

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

INDEX

PAGE

Opening remarks by Hearing Officer Bouillon	1
Closing remarks by Hearing Officer Bouillon	10
Adjournment	10
Reporter's certificate	11

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

1 PROCEEDINGS

2 HEARING OFFICER BOUILLON: Good morning. We are  
3 here today for a continued prehearing conference conducted  
4 by a Committee of the California Energy Commission on  
5 Blythe Energy's application for certification for the  
6 Blythe Energy Power Project.

7 For the record, the docket number assigned to  
8 this matter is 99-AFC-8. Present at this conference is  
9 Mr. Lance Shaw, the Project Manager for the staff, Ms.  
10 Lisa De Carlo, the staff counsel for the staff, Scott  
11 Galati, the applicant's attorney, the court reporter,  
12 Roberta Mendonca the public adviser and myself Ed  
13 Bouillon, the hearing officer.

14 Participating in this prehearing conference by  
15 telephone is Chairman William Keese, the Chairman of the  
16 California Energy Commission and the presiding member of  
17 this committee. In addition, Carmela Garnica, intervenor,  
18 is also present by telephone; is that correct?

19 MS. GARNICA: Yes.

20 CHAIRPERSON KEESE: Yes.

21 HEARING OFFICER BOUILLON: The purpose of this  
22 continued conference is to include the participation of  
23 Ms. Garnica. And for her benefit, I will very briefly  
24 summarize the facts that occurred last Friday. We had a  
25 prehearing conference at, I believe it was, 9:00 a.m. At

1 which time, both the staff and the applicant were able to  
2 agree that a great many witnesses would not need to  
3 personally testify and that much of the testimony could  
4 come in by written stipulation, or at least written  
5 agreement.

6 In addition, it was agreed that the many pieces  
7 of evidence that were prepared by Ms. Garnica in the form  
8 of witness testimony would be admitted into evidence and  
9 there would be no need to cross examine those witnesses.

10 It's my understanding that Ms. Mendonca has had a  
11 conversation this morning with Ms. Garnica about what  
12 areas she has questions for the various witnesses. And  
13 Ms. Garnica, I'd like to ask you, at this time, whether  
14 you have questions for both the staff witnesses and the  
15 applicant's witnesses or just the applicant's witnesses?

16 MS. GARNICA: Mainly, I guess it would be the  
17 applicant's witnesses. I'm waiting on some of the -- you  
18 know, I'm just having trouble with the applicant and  
19 staff. Those are two different groups, and so therefore  
20 I'm presuming that when it says Final Staff Assessment, it  
21 means that it is only the assessment of all the studies  
22 that were done of what the applicant is admitting; is that  
23 correct?

24 HEARING OFFICER BOUILLON: Yes, that is correct.

25 MS. GARNICA: Okay. So my main -- there's quite

1 a bit of questions, and they all pertain to what is not  
2 answered in the Final Staff Assessment. And I presume  
3 that that automatically goes into the submissions of the  
4 applicant's application.

5 HEARING OFFICER BOUILLON: As I understand it,  
6 your primary concerns, from the prehearing conference  
7 statement that you filed, are in the area of the use of  
8 the water and the reduction of agricultural production and  
9 environmental safety. Am I correct in saying that your  
10 concern is the health and welfare of the local farm  
11 workers?

12 MS. GARNICA: That is correct.

13 HEARING OFFICER BOUILLON: And I also understand  
14 that your primary basis of concern is the location of the  
15 power plant; is that correct?

16 MS. GARNICA: That is correct.

17 HEARING OFFICER BOUILLON: And you'd like to see  
18 it moved farther out in the desert?

19 MS. GARNICA: That is correct.

20 HEARING OFFICER BOUILLON: Now, with regard to  
21 the natural gas pipeline that's going to go to the plant,  
22 you still have some disagreement over the location of  
23 that?

24 MS. GARNICA: Yes.

25 HEARING OFFICER BOUILLON: And you do understand

1 the difference between this natural gas pipeline and the  
2 one being constructed by PG&E?

3 MS. GARNICA: That is correct.

4 HEARING OFFICER BOUILLON: Now, specifically have  
5 you read the testimony being offered by the applicant in  
6 this matter?

7 MS. GARNICA: What I've read is the -- what I  
8 read was your last conference, the one that was on October  
9 10th. I read that whole document, and then I read the  
10 whole Final Staff Assessment. So as far as being able to  
11 pull out certain things from it, just from the top of my  
12 head, I cannot. I would have to take time to go back and  
13 see, you know, anything that I would be able to -- I do  
14 not have all of the Final Staff Assessment in my mind, you  
15 know what I'm saying, so I can just pull it out the minute  
16 you ask me a question.

17 HEARING OFFICER BOUILLON: I don't either. I  
18 wouldn't be too concerned about that.

19 But specifically, can you tell me the areas in  
20 which you want witnesses to be present? Do you know the  
21 names of any of the witnesses you want to question?

22 MS. GARNICA: Well, the ones that would pertain  
23 to -- well, you know what, no because, you know, on  
24 your -- on the witnesses, staff's witnesses, I have not  
25 looked at those names and then put it with what area that

1 I would have questions, because they pertain to either the  
2 land use or socioeconomic, or water resources, biological  
3 resources, cultural resources, and then, you know, the  
4 facility land itself.

5           And so I haven't matched those yet, but there is  
6 a list and so -- you need that now? I can, kind of, I  
7 guess, put those into some type of a little chart, I  
8 guess, you know, put the questions with the categories  
9 which they would fall under. And then, therefore, point  
10 to the person you have there that would be able to answer  
11 those questions. Is that what you're asking?

12           HEARING OFFICER BOUILLON: Well, yes. And that's  
13 what should have been here last week. The problem is  
14 these hearings are going to start next Monday afternoon  
15 and people have to make travel arrangements that they have  
16 to come, if they have to come down from Sacramento.

17           MS. GARNICA: You know what, I gave a category to  
18 Ms. Mendonca. There is at least, I think, there's like 12  
19 sections that I think that maybe she can give you that  
20 list and then from there we can see what person fits under  
21 those categories.

22           HEARING OFFICER BOUILLON: Well, my question is  
23 in trying to schedule these hearings, I need to know how  
24 much time you need to cross examine these witnesses. I  
25 mean, are you talking about five minutes for each witness



1 or are you talking about maybe several hours with a  
2 witness?

3 MS. GARNICA: Well, I would just -- I'm presuming  
4 that -- I've never been to a hearing of this type, I'm  
5 presuming that you ask the question and then depending on  
6 if the expert can answer, then depending on how long it  
7 goes to answer. You know, I would be able to -- I can't  
8 foresee that. I don't understand how that would be my  
9 decision as far as how long it would be.

10 HEARING OFFICER BOUILLON: I have to inform you,  
11 Ms. Garnica, it is the responsibility of every party to  
12 this proceeding to be able to provide estimates to the  
13 Committee of how long they need for their part of the  
14 questioning.

15 MS. GARNICA: Well, you know what, to be on the  
16 safe side, can I take ten minutes?

17 HEARING OFFICER BOUILLON: Ten minutes for each  
18 witness?

19 MS. GARNICA: Yes.

20 HEARING OFFICER BOUILLON: That would be fine.  
21 That enables us to plan. From my conversations with Ms.  
22 Mendonca from what your conversation was, is that I  
23 understand you have questions on the following areas: It  
24 will include project alternatives and facility design,  
25 public health, biological resources, water resources, land

1 use, socioeconomic, hazardous material and air quality.

2 I understand you also brought up or somebody  
3 brought up the topic of cultural resources. And I want to  
4 explain to you that cultural resources really has to do  
5 with artifacts and things that might be buried in the  
6 ground and not the current living conditions, all of which  
7 would be covered by the socioeconomic witnesses, which I  
8 think is more your concern.

9 MS. GARNICA: Well, we can go to socioeconomics,  
10 that's correct.

11 HEARING OFFICER BOUILLON: That's your big area,  
12 isn't it?

13 MS. GARNICA: Yes.

14 HEARING OFFICER BOUILLON: When you talk about  
15 public health, do you really need to talk to some  
16 technical expert about air quality or do you need to talk  
17 to somebody about its effect on the public health?

18 MS. GARNICA: It's effect on the public health.

19 HEARING OFFICER BOUILLON: Okay. So as long as  
20 that person can answer the questions that you have, you  
21 don't need an air quality witness that talks about  
22 numbers?

23 MS. GARNICA: No.

24 HEARING OFFICER BOUILLON: That information will  
25 be available for you. But it is our intention, at this

1 time, not to bring any air quality witnesses, but simply  
2 the public health people, the socioeconomic people and the  
3 people that can talk about why the plant is being built  
4 where it is.

5 MS. GARNICA: And the water, yes, uh-huh.

6 HEARING OFFICER BOUILLON: And what's the effect  
7 on the water by using the water for the plant?

8 MS. GARNICA: Yes.

9 HEARING OFFICER BOUILLON: You don't, for  
10 instance, when you talk about project alternatives, one of  
11 the things that comes up is could it be better built  
12 someplace else, and I know you're interested in that.

13 MS. GARNICA: Yes.

14 HEARING OFFICER BOUILLON: But that's also part  
15 of facility design, the way the plant is designed. Do you  
16 have any questions about the way the plant is designed  
17 other than it should be someplace else?

18 MS. GARNICA: No, no. No, my only interest is to  
19 move it miles out, where we have other -- where there's  
20 other commercial areas or industrial areas already.

21 HEARING OFFICER BOUILLON: Okay. Okay, I think I  
22 can put together an order and we'll proceed to the hearing  
23 at the scheduled time, next Monday.

24 And, Chairman Keese, unless you have something to  
25 add, I think we can conclude this hearing.

1           CHAIRPERSON KEESE: We can conclude the hearing.  
2 Are you going to let Ms. Garnica know what our order of  
3 proceeding is, which is what we will take up in the first  
4 Monday afternoon and what's on Monday night?

5           HEARING OFFICER BOUILLON: Oh, yes, I could tell  
6 her that. Ms. Garnica, for your information, we decided  
7 that we would start on Monday with the project design and  
8 water and land use parts of this proceeding.

9           And then after the dinner break on Monday, we  
10 would go into facility design and hazardous materials.  
11 And on the second day of the hearing, we'll talk about  
12 biological resources and such other areas as we can fit  
13 in, because you have some question for some of these  
14 witnesses and we'll try to organize them around the order  
15 that I just gave you, providing witnesses for your  
16 examination. So I'm afraid you're going to have to be  
17 there the whole time.

18           MS. GARNICA: That's fine. I'm very much looking  
19 forward to it.

20           HEARING OFFICER BOUILLON: But we will  
21 specifically -- we're going to take up facility design and  
22 hazardous materials in the evening of the first day, so as  
23 many members of the public as can be present can be.

24           MS. GARNICA: Okay, great.

25           HEARING OFFICER BOUILLON: And I'll have Ms.

1 Mendonca contact you again, because we're going to try,  
2 through Chairman Keese, try to issue an order here about  
3 the order of witnesses and things like that. And I'll  
4 have Ms. Mendonca make sure you get it before the end of  
5 the week.

6 MS. GARNICA: Okay. If you could fax the  
7 materials, yeah.

8 HEARING OFFICER BOUILLON: Okay, Chairman Keese?

9 CHAIRPERSON KEESE: That sounds like that's it to  
10 me.

11 HEARING OFFICER BOUILLON: Okay.

12 CHAIRPERSON KEESE: Are we going -- this will  
13 conclude the hearing?

14 HEARING OFFICER BOUILLON: This concludes the  
15 hearing.

16 Thank you all for your participation.

17 CHAIRPERSON KEESE: Thank you.

18 (Thereupon the Air Resources Board prehearing  
19 conference for the Blythe Energy Project  
20 was concluded at 10:35 a.m.)

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## 1 CERTIFICATE OF REPORTER

2 I, JAMES F. PETERS, a Certified Shorthand  
3 Reporter of the State of California, and Registered  
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the  
6 foregoing California Energy Commission prehearing  
7 conference was reported in shorthand by me, James F.  
8 Peters, a Certified Shorthand Reporter of the State of  
9 California, and thereafter transcribed into typewriting.

10 I further certify that I am not of counsel or  
11 attorney for any of the parties to said hearing nor in any  
12 way interested in the outcome of said hearing.

13 IN WITNESS WHEREOF, I have hereunto set my hand  
14 this 28th day of November, 2000.

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22 JAMES F. PETERS, CSR, RPR

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